**SUNSHINE SCHOOL**

**FORM 1**

**BUSINESS STUDIES**

**END TERM EXAM – OCT. 2015**

**TIME: 2 HRS**

**NAME: …………………………………………………..CLASS:………….ADM NO:……..**

**Instructions to candidates**

1. Write your Name and Adm. Number in the spaces provided above.
2. Answer **ALL** the questions.
3. All answers must be written in the spaces provided.
4. Candidates should check the question paper to ascertain that all the pages are printed as indicated and no of questions missing.
5. This paper consists of 7 printed pages.
6. Candidates should check the question paper to ascertain that all the pages are printed as indicated and that no questions are missing.
7. Candidates should answer all the questions in English.

**For Examiners Use Only**

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Questions | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| Marks |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Questions | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| Marks |  |  |  |  |  |  |  |  |  |  |  |  |  |

 **Total marks**

1. Define the following terms as used in Business studies. (4 mks)

(i) Services

 ……………………………………………………………………………………………

 ……………………………………………………………………………………………

(ii) Opportunity cost

 ……………………………………………………………………………………………

 ……………………………………………………………………………………………

(iii) Scale of preference

 ……………………………………………………………………………………………

 ……………………………………………………………………………………………

(iv) Production

 ……………………………………………………………………………………………

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1. Highlight four benefits of learning business studies in schools. (4 mks)

(i) ……………………………………………………………………………………………

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(ii) ……………………………………………………………………………………………

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(iii) ……………………………………………………………………………………………

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(iv) ……………………………………………………………………………………………

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1. Classify each of the following as either generic or enterprise competition.

(i) Athletes competing for gold medals in the world cup.

(ii) A coffee seller, competing with a tea seller.

(iii) Msingi high school competing for gold medals in the world cup.

(iv) Milimani bookshop competing with Kitabu bookshop in selling of books.

1. Outline four reasons why many people start business in Kenya. (4 mks)

(i) ……………………………………………………………………………………………

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(ii) ……………………………………………………………………………………………

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(iii) ……………………………………………………………………………………………

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(iv) ……………………………………………………………………………………………

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1. Highlight four characteristics of human wants. (4 mks)

(i) ……………………………………………………………………………………………

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(ii) ……………………………………………………………………………………………

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(iii) ……………………………………………………………………………………………

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(iv) ……………………………………………………………………………………………

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1. Give two examples of each of the following.

(a) Natural resources

(i) ……………………………………………………………………………………

(ii) ……………………………………………………………………………………

(b) Man-made resources

(i) ……………………………………………………………………………………

(ii) ……………………………………………………………………………………

 (c) Human resources

(i) ……………………………………………………………………………………

(ii) ……………………………………………………………………………………

 (d) Intermediate goods

(i) ……………………………………………………………………………………

(ii) ……………………………………………………………………………………

1. Outline four advantages that a business may get from division of labour. (4 mks)

(i) ……………………………………………………………………………………………

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(ii) ……………………………………………………………………………………………

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(iii) ……………………………………………………………………………………………

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(iv) ……………………………………………………………………………………………

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1. Highlight four characteristics of capital as a factor of production. (4 mks)

(i) ……………………………………………………………………………………………

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(ii) ……………………………………………………………………………………………

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(iii) ……………………………………………………………………………………………

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(iv) ……………………………………………………………………………………………

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1. Highlight four factors that may contribute to business success. (4 mks)

(i) ……………………………………………………………………………………………

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(ii) ……………………………………………………………………………………………

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(iii) ……………………………………………………………………………………………

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(iv) ……………………………………………………………………………………………

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1. Highlight four factors that may encourage entrepreneurial practices in a country. (4 mks)

(i) ……………………………………………………………………………………………

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(ii) ……………………………………………………………………………………………

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(iii) ……………………………………………………………………………………………

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(iv) ……………………………………………………………………………………………

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1. Outline four advantages of filling documents in an organization. (4 mks)

(i) ……………………………………………………………………………………………

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(ii) ……………………………………………………………………………………………

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(iii) ……………………………………………………………………………………………

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(iv) ……………………………………………………………………………………………

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1. State four qualities of a good receptionist. (4 mks)

(i) ……………………………………………………………………………………………

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(ii) ……………………………………………………………………………………………

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(iii) ……………………………………………………………………………………………

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(iv) ……………………………………………………………………………………………

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1. Match the following statements with appropriate office machine. (4 mks)

|  |  |  |
| --- | --- | --- |
|  | Statements | Machines |
| (i) | Used for trimming documents into required shapes and sizes. |  |
| (ii) | Used for folding documents. Place them in envelopes and seal the envelopes. |  |
| (iii) | Used to send and receive messages. |  |
| (iv) | Used for reproducing documents. |  |

1. Complete the following chart which shows the divisions of trade.

Trade

(a)

Home trade

Import trade

(d)

(c)

(b)

1. ……………………………………………………………………………………………

 (b) ……………………………………………………………………………………………

 (c) ……………………………………………………………………………………………

 (d) ……………………………………………………………………………………………

1. Outline four importance of trade to a country. (4 mks)

(i) ……………………………………………………………………………………………

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(ii) ……………………………………………………………………………………………

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(iii) ……………………………………………………………………………………………

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(iv) ……………………………………………………………………………………………

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1. Outline four aids to trade that facilitates smooth running of business. (4mks)

(i) ……………………………………………………………………………………………

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(ii) ……………………………………………………………………………………………

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(iii) ……………………………………………………………………………………………

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(iv) ……………………………………………………………………………………………

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1. Highlight four ways of improving internal business environment. (4 mks)

(i) ……………………………………………………………………………………………

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(ii) ……………………………………………………………………………………………

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(iii) ……………………………………………………………………………………………

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(iv) ……………………………………………………………………………………………

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1. Outline four differences between goods and services. (4 mks)

(i) ……………………………………………………………………………………………

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(ii) ……………………………………………………………………………………………

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(iii) ……………………………………………………………………………………………

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(iv) ……………………………………………………………………………………………

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1. Highlight four characteristics of direct production. (4 mks)

(i) ……………………………………………………………………………………………

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(ii) ……………………………………………………………………………………………

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(iii) ……………………………………………………………………………………………

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(iv) ……………………………………………………………………………………………

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1. Highlight four characteristics of a successful entrepreneur. (4 mks)

(i) ……………………………………………………………………………………………

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(ii) ……………………………………………………………………………………………

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(iii) ……………………………………………………………………………………………

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(iv) ……………………………………………………………………………………………

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1. Highlight four practices that may lead to consumer exploitation.

(i) ……………………………………………………………………………………………

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(ii) ……………………………………………………………………………………………

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(iii) ……………………………………………………………………………………………

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(iv) ……………………………………………………………………………………………

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1. Outline four factors that should be considered when choosing the location of an office. (4 mks)

(i) ……………………………………………………………………………………………

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(ii) ……………………………………………………………………………………………

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(iii) ……………………………………………………………………………………………

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(iv) ……………………………………………………………………………………………

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1. Highlight four features of a good filing system. (4 mks)

(i) ……………………………………………………………………………………………

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(ii) ……………………………………………………………………………………………

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(iii) ……………………………………………………………………………………………

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(iv) ……………………………………………………………………………………………

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1. Outline four external business environment that can affect the business operations negatively. (4 mks)

(i) ……………………………………………………………………………………………

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(ii) ……………………………………………………………………………………………

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(iii) ……………………………………………………………………………………………

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(iv) ……………………………………………………………………………………………

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1. Highlight four components of business studies. (4 mks)

(i) ……………………………………………………………………………………………

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(ii) ……………………………………………………………………………………………

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(iii) ……………………………………………………………………………………………

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(iv) ……………………………………………………………………………………………

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